

MACKEAN IS CHOSEN TO OPPOSE ASQUITH

Lloyd George Confident of Coalition Success, Burns His Liberal Bridges.

LADY ASTOR WILL SPEAK

Stirring Contest Expected in Paisley, With Chances of Ex-Premier Dubious.

Special Cable Despatch to THE SUN.

LONDON, Jan. 29.—L. A. D. Mackean, nominated by the coalition group, acting through A. P. M. R. L. is reported to oppose former Premier Asquith in the Paisley Parliamentary election. It is accepted as a fact that the coalition now must offer its biggest guns at Paisley. Lady Astor is to be sent out to represent the coalition group. The coalition group has already won the most exciting contest that England has seen for a long time, and the storm of attacks on the coalition group is in the next fortnight.

Nor is the fight to be confined to the women. Arrangements have been made for the biggest men in coalition to reply to the attacks of Asquith. Lloyd George has said that Asquith himself is responsible for the breach in the old Liberal party. The announcement that arrangements have been made to fight him openly means not only that the coalition feels sure that Asquith will be beaten, but is determined to punish him by such an overwhelming defeat that it will serve as a warning to any coalitionists who may be contemplating desertion to the old Liberal party.

Not only has Lloyd George crossed his political Rubicon but he has burned the bridges by which he might have passed back to the old Liberal party, thus showing his confidence in the life of coalition and the new middle party which eventually will succeed it.

The battle line has not yet been drawn between coalition and labor as the miners' conference did not prove to be a preliminary skirmish. It is clear, however, that the undoubted political success of labor, on the one hand, and the influx of conservatives as well as liberals into the coalition as the only protection against the labor movement, makes the drawing of the issue between them certain.

Although Asquith is attacking this coalition, opinion in Liberal circles now is extremely pessimistic regarding his chances of winning, although heretofore they have been most hopeful. It is considered now that the former Premier's attack is ill advised and will cost the loss of a large number of coalition votes, upon which the hope of Asquith's election had been based. Asquith's own followers express themselves as amazed by his action and utterly unable to understand his reason for inviting the antagonism of possible supporters when so useful purpose could be served and there was no chance to swing the labor or Irish vote in his direction.

YUDENITCH LEAVING WITH FUNDS SEIZED

Allied Military Mission Protests His Arrest.

STOCKHOLM, Jan. 29.—The Estonian Telegraph Agency reports that Gen. Yudenitch, who contemplated leaving the country with a large sum belonging to the Northwest Army, was arrested by order of the Army Procurator. The agency adds that the aid de camp of Yudenitch sought to protect Yudenitch, but his revolutionary views were determined. The Allied Military Mission here has protested strongly to the Estonian Government concerning the arrest of Gen. Yudenitch.

Another report from Reval said the arrest is said to have been made by order of Gen. Balakovich, a Finnish officer who commanded a force in the Petrograd drive.

ITALIAN CABINET ENDS RAIL STRIKE

Men Will Return at Once Under Compromise Terms.

LONDON, Jan. 29.—An agreement on all the principal points at issue has been reached between the Italian Cabinet and the leaders of the striking railway men, according to a Central News despatch from Rome under Wednesday's date. It is expected that the strikers will return to work immediately, the message added.

ROME, Jan. 29.—The central committee of the railway strikers discussed today with Premier Nitti and Minister of Transport De Vito conditions as to a resumption of work by the railway men. The points at issue are that the Government refused to pay the railway men their time during the strike, declines to reconsider promotion concessions made to non-striking and refuses to take into the service again the younger class of railway men who were dismissed and ordered to join the colors.

The strikers also demand the dismissal of extra employees taken on during the war, who refused to join the strike. The impression is that a compromise will be reached.

AVIATORS TO RESCUE COMRADES IN MEXICO

Permission of the Carranza Government Awaited.

BROWNVILLE, Tex., Jan. 29.—Several aviators of the Eighth Air Squadron at McAllen, Tex., were awaiting today permission from the Mexican Government to cross the international boundary and carry oil and gasoline to the Mexican village of Matamoros, 14 miles west of Matamoros. It was said the two flyers probably would remain there until they are able to bring out their machine, the landing of which was forced by exhaustion of gasoline. They are not prisoners, except in a technical sense; they are being detained in accordance with international practice, but were paid to be receiving "the best of treatment." As soon as gasoline could be provided for their airplane they would be permitted to depart, it was said.

Opens Smoking Room for Women.

CHICAGO, Jan. 29.—A Chicago theatre announced it had opened a smoking room for women. The manager said the "women drove him to it." The women smoke more cigarettes than the men, the manager said. The smoking room was outfitted at a cost of \$10,000.

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BRAZIL IS HOLDING SHIPS SHE SEIZED

Kermitt Roosevelt's Offer to Buy 28 Not Acted on Yet.

Buenos Aires, Jan. 29 (delayed).—Despatches from Rio Janeiro concerning negotiations in progress for the sale to United States interests of the forty-five German ships taken over by Brazil during the war indicate that the Brazilian Government will postpone its decision until February 1st. It is known whether she will exercise the option given by Brazil for the purchase of the ships already leased to France, which comprise a majority of the total. Sentiment in Brazil appears to favor retaining the ships for Brazil's overseas trade.

The despatches credit Kermitt Roosevelt with representing a subsidiary of the American Ship and Commerce Corporation as one of the negotiators. One message reports that the North American interests have offered \$250 a gross ton for these ships.

Representatives here of the American Ship and Commerce Corporation, of which Major-General George W. Goodall is president and Capt. Kermitt Roosevelt is secretary, said today that an effort had been made to purchase twenty-eight of the former German ships in Brazil and that the deal still is pending. Mr. Roosevelt and Alfred E. Clegg, an officer of one of the subsidiary companies, are in South America. A recent report from Mr. Clegg was that the negotiations were 80 per cent. complete.

When the war broke out Germany had in Brazilian waters between fifty and sixty ships aggregating about 160,000 gross tons. Brazil chartered to France between forty and fifty of these ships. The charter was for one year and included, it was said at the time, the right of France to make outright purchase of the ships at the expiration of the charter. France, not availing herself of this provision, the American Ship and Commerce Corporation made its offer.

WARNS BRITAIN OF COAL STRIKE PERIL

Union Leader Says It May Come "in Short Period."

LONDON, Jan. 29.—A hint that a national strike of miners is possible within a short period was given by Frank Hodges, one of the miners' leaders, in the course of the meeting held here by the Miners' Federation today.

"In our progress towards the unification of the present wage system in the coal fields and our struggle for national ownership of the coal mines, with joint control by the workers, we may," he said, "become involved in a national strike. This in itself proves the necessity of increased contributions."

The miners' delegates acceded to Lloyd George's request that they postpone further action with reference to their recent demands. The delegates had asked that the Government reduce immediately the price of industrial and export coal, proceed with the limitation of coal owners' profits, the limitation to be retroactive, and take steps to reduce the price of food and clothing to a reasonable basis, the alternative being a threat by the miners to demand an increase in wages amounting to 5 shillings daily. The postponement was for the period of one week in order to allow the chartered accountants sufficient time to report regarding the figures of the Government's profit on coal.

THREE MORE REDS ARE PUT TO DEATH

Executions in Budapest Now Total Twenty-seven.

By the Associated Press.

BUDAPEST, Jan. 29.—Three Communists were executed today, making a total of twenty-seven. The three were: Two of the three, Red Guards, carried out the orders of Bela Kun and shot the Ukrainian officers and robbed them of a large sum of gold. They then threw the bodies into the Danube.

The other man executed was Ladislav Szamuely. As Judge he kept an express train of three cars waiting constantly at the depot so that whenever occasion arose he could proceed throughout Hungary to condemn to death anti-Bolsheviks. There were forty-two illegal executions charged against him.

It is estimated that the Bolsheviks executed more than 400 of those who opposed them. There are now waiting trial 450 Terrorists. The Government today demanded for the seventh time that Austria give up Bela Kun, the Hungarian Communist leader, and others charged with murder, larceny and forgery.

Leprosy Case in Nebraska.

OMAHA, Neb., Jan. 29.—Charles Young, 49 years old, of Tilden, Neb., who was plied at the Crofton Medical College several weeks ago for treatment for a blood disease, has a well developed case of leprosy according to a specialist's diagnosis announced today. Young becomes a chronic case of the disease. The specialist said there was a possibility of ultimate cure. Young is a Spanish war veteran and believes that he may have contracted the disease while in the army.

SKIN TREATED WITH POSLAM QUICKLY HEALS

If you have pimples, act at once on this suggestion—there can be no harm in it and every probability of wonderful benefit. Get some Poslam and apply directly over the eruptions to-night. In the morning wash the skin for improvement. If encouraged, continue as necessary and you will doubtless marvel at the rapidity and effectiveness of this treatment. Now that you know what it can do, you will find many ways to utilize the best of medicine. For free sample write to Emergency Laboratories, 245 West 47th St., New York City. And Poslam Soap, being medicated with Poslam, will benefit your skin while used daily for toilet and bath.

BOLSHEVIKI URGING PEACE WITH POLES

Issue Declaration Saying They Have Always Recognized the Republic.

ACCUSE ALLIED LEADERS

Declare Churchill and Clemenceau Incited to "Senseless, Criminal War."

LONDON, Jan. 29.—A wireless despatch received from Moscow says that a declaration, signed by Premier Lenin, Foreign Minister Titcherine and Minister of War Trotsky, addressed to the Polish Government on behalf of the Council of the People's Commissaries, invites a friendly settlement of all disputes and questions outstanding between Poland and Russia.

At the beginning the declaration says that it is "incumbent on the Polish Government to decide whether to make war on Russia." It proceeds to accuse the agents of Winston Spencer Churchill, the British War Minister, and M. Clemenceau, the former French Premier, of endeavoring to incite Poland to a "senseless, criminal war against Soviet Russia."

The declaration asserts that the Soviet Government, from the first recognized the independence and sovereignty of the Polish republic, and that this will be confirmed at the February meeting of the supreme executive committee of the Soviet. Further, it declares there is no territorial, economic or other question which cannot be solved peacefully by negotiations, concessions and mutual agreements, such as are now being arranged with Lithuania.

Russian Soviet cavalry commanded by Gen. Dumenko has forced the rivers in the Mynch Valley, in the Lower Don region, and captured 2,000 prisoners after a two days' battle, the Red forces then continuing to advance, says a Bolshevik communiqué received today.

ASKED TO TELL WHY HE GAVE UP KOLCHAK

Allies Send Telegram to Gen. Janin.

PARIS, Jan. 29.—The report that Admiral Kolchak has been surrendered to the revolutionary Socialist Government at Khatanga is credited in French official circles, and the allied high commission in Siberia has been instructed by the French Government to demand a report from Gen. Janin, the Czech commander, and insist that he take measures for the liberation of Kolchak.

The Temps says Premier Millerand has sent a telegram to Gen. Janin demanding an immediate explanation of his action in handing over Kolchak to the Siberian revolutionary forces.

REDS' MURDER ORDER SLIGHTLY MODIFIED

White Soldiers, Ignorant or Forced to Fight, Exempt.

By the Associated Press.

LONDON, Jan. 29.—A Bolshevik proclamation being spread among the Red soldiers in north Russia, ostensibly to halt the unnecessary killing of prisoners, especially Czechs, divides the "Whites" into two categories—the first designated as the real enemies of the Soviet Republic, such as capitalists, their sons and officers; the second, those who fight against the Soviets only because they are either forced to do so or are ignorant. Red soldiers are warned not to kill those in the second category, because "then White soldiers would be afraid to desert."

Regarding the first category the proclamation declares: "Naturally, mercy to officers, big landowners or capitalists, who all are permanently or consciously enemies of ours, is out of the question. Death to these scoundrels, who are responsible for the bloodshed now and the prolongation of civil war! There is no mercy for them, nor can there be any."

A Moscow wireless message reports that an order has been issued for the disbanding of the Northwest Russian Army. There is no intention of evacuating Moscow, where the reported outbreak of plague is denied.

U. S. Living Cost Inquiry.

WASHINGTON, Jan. 29.—An extensive survey of living costs in the principal cities of the country will be started next week by the Department of Labor. Dr. Charles E. Baldwin, chief clerk of the Bureau of Labor Statistics, said today experts would make a comprehensive study of the retail prices of necessary commodities, including clothing, shoes, furniture and other household articles. Theatre charges and other amusement prices also will be tabulated, and the work is to be completed within a month to six weeks.

Pneumonia Threatens Ibanez.

LOS ANGELES, Jan. 29.—Blanco Ibanez, the author, was reported today to be ill here with what might be pneumonia. Ibanez was indisposed last week, but was able to appear last night at a meeting in his honor. His physician said his exertion caused today's illness.

M'KENNA CALLS FOR BRITISH ECONOMIES

Continued from First Page.

exchange and restricting the demand for currency. To-day we cannot be certain that it will achieve any of these purposes; it is conceivable, indeed, that it will have the opposite effect. The Government has been the heavier borrower and still may be, whatever may be the bank rate.

"Raising the bank rate depreciates all existing Government securities, which makes it difficult to borrow from the public and as a result the Government is driven to the Bank of England. We know the consequences: total deposits and bank cash are increased, prices go up and currency is further inflated."

"The purpose of raising the bank rate is to prevent this by making it too expensive and by this means to restrict deposits and the issue of currency, but when the borrower is the Government, with money to be borrowed, no matter what the price, and which has the power to compel the Bank of England to lend, raising the rate not merely fails to achieve its purpose but actually operates in the opposite way."

"Regarding exchange before the war, raising the bank rate was bound to send up the value of the pound sterling on foreign exchange. The balance of trade, including the invisible exports and imports, was in our favor and if for the moment the pound sterling depreciated it was only because we had lost our way as to how to borrow, and the bank rate made it unprofitable for the foreigner to borrow in this market and left our excess of exports free to assert its natural effect."

Trade Balance Is Adverse.

"To-day the balance of trade is against us, and while the bank rate should be at such a level as not to encourage the discounting of foreign trade bills in our market, to raise it above this point may in the existing circumstances injure rather than benefit our exchange."

"Dear money adds to the cost of production and every addition to the cost forces our exports to those foreign markets in which sales are for prompt payment. We can no doubt sell all the goods we wish in countries in which sales are possible only on terms of very extended credit, but exports to such countries do no good to our exchange."

"Raising the cost of production at home in any degree has a tendency to drive exports out of the cash markets into the credit markets, and to this extent our exchange is injured. I cannot help thinking that the advocates of dear money are premature in their policy. They do not take sufficiently into account the actual circumstances of the moment; they wish to stop the rise in price with its concomitant social danger and rightly recognizing that high prices are due in large measure to increased purchasing power, they propose to restrict further bank advances by raising the bank rate, but they overlook the fact that the much greater part of inflated credit is due to borrowing by the Government."

Industrial Loans Not Excessive.

"Bank advances to industry, although heavy in the aggregate, are not greater than industry requires, having regard to the amount of money sunk in high priced stock which the trader has to carry. Dear money is an additional expense in production and has the effect in itself of raising prices, while the counterbalancing influence which might be expected to be exercised by the restriction of credits is neutralized by repeated outpourings from the bank of cash due to borrowing by the Government from the Bank of England."

That part of Mr. McKenna's address which is very applicable to the American credit situation because the United States Government is not such a heavy borrower follows:

"We are seeking the relation between the increase in bank deposits, the increase in currency and high prices. As the increase in deposits means an addition to our purchasing power we should expect such increase to be followed by a rise in prices, but we must guard ourselves here against generalization which may be too broad. If the money is borrowed by manufacturers or traders for the purpose of production or movement of commodities the increase in purchasing power consequent upon the loan is followed in due course by an increase in the amount of commodities available and the rise in prices which might be expected from the greater demand is corrected by the greater supply."

"Let us examine for a moment what takes place when a bank makes loans or advances in the ordinary way of trade. Suppose the case of a loan or advance to a manufacturer who will use the money to pay for raw material, wages or some other expense in the course of his business. When the goods are manufactured and sold to merchants it is expected that the proceeds of the sale will be used to pay off the bank loan."

How Loans Are Passed On.

"The merchant in his turn may have borrowed from his bank to pay the manufacturer and there may be a whole series of loans from banks, each paid off in turn as the goods pass from their primitive state of raw material to their final destination as finished goods in the hands of the consumer, but when the consumer has paid cash for goods the whole series of loans will in the ordinary course have been liquidated and there will have been an increase in bank deposits only so long as the goods were not finally disposed of."

"In this view of bank transactions and loans by banks, therefore, the deposits would increase in total amount only as the total of the commodities increased. There would be greater purchasing power at the time it began, but there also would be a greater supply in process of production. It will be observed that the first effect of trade loans is to increase deposits, and as the aggregate of such loans and consequently of deposits and purchasing power may be steadily growing in amount it may be argued that loans of this kind may also drive up prices."

"To a limited extent this is true. In

periods of active trade we know that as bank loans increase prices rise, but a rise in prices attributable to this cause never can go very far. Traders sometimes assume that banks have unlimited power of making advances; they forget that every advance made by a bank comes out of the bank's cash resources. It is true that the advances are returned to the banks in the form of fresh deposits and thus restore the banks' cash resources to their former level, but they will go out in time and finally will be additional liabilities to the depositors without any addition to the banks' cash."

ERZBERGER TO STOP EXCHANGE EXPORTS

Plans to Revive Old Law to Curb Drops.

BERLIN, Jan. 28 (delayed).—The National Zeitung makes public the declaration of a person "standing near to Erzberger" regarding the recent drop in German exchange. He says that foreign bills of exchange the status of which is critical, German demands for foreign securities and the acquisition by Germans of property abroad by exporting goods have made the situation worse. The Finance Minister is credited with the intention of reviving the law against the exportation of foreign bills of exchange.

A permanent exchange committee will confer on this matter soon. The decline in English and French money, though not as great as that of Germany, convinces the Finance Minister that the question is international. Rumors that the nation is bankrupt are unjustified, says the statement.

The Frankfurt Handelsblatt publishes an article urging that it is essential for Germany to raise its credit, and that Germany must succeed in convincing Americans that a loan is necessary in the interests of

American business. The paper proposes that America settle the question of German property in America directly with Germany, or withhold liquidation in order to enable America to employ German security as collateral for a loan to Germany. The Handelsblatt asserts that if Germany does not receive such foodstuffs and raw materials she must fail.

BOLSHEVIKI ASKED TO FREE RED CROSS MEN

Vladivostok Reports That Prisoners Probably Are Safe.

WASHINGTON, Jan. 29.—Request for the release of the four American Red Cross workers recently captured by the Bolsheviks in Siberia already has been forwarded to the Russian Soviet authorities through the Czechs, Red Cross headquarters here was informed today by representatives in Vladivostok, who said the prisoners were not believed to be in any danger.

Names of the Red Cross men mentioned in the cablegram as prisoners were: Dr. W. H. Ford of Kingston, Oka (probably); Dr. J. N. Mehill of Jaroslavl; Otto W. Lowe of New York and Edward E. Charette of Stockton, Cal.

The cable advises from Vladivostok explained that the expression of optimism concerning the safety of the Red Cross personnel was founded on reports from the newly conquered parts of Siberia indicating that the Bolsheviks were pursuing a liberal policy toward prisoners.

Window Washers Ask \$48 a Week

CHICAGO, Jan. 29.—Window washers in Chicago have gone on strike, demanding \$48 a week for experienced washers who work on extension ladders and \$44 a week for apprentices—men who have served less than six months at the business. The washers demand pay for forty-four hours a week regardless of whether or not work is done.

JAPAN TO MAINTAIN FORCES IN SIBERIA

Uchida Calls Negotiations With America "Satisfactory."

By the Associated Press.

TOKIO, Jan. 27.—Major-Gen. Tanshin, Minister of War, in reply to an interpellation in the lower House of Parliament today by Baron Sakatani, former Minister of Finance and at present financial adviser to China, said he was unable to state that the Japanese expeditionary forces would be withdrawn from Siberia after the withdrawal of the Czechoslovak. Major-Gen. Tanaka and Vice-Admiral Kato, Minister of the Navy, both insisted that Japan's military programme be left unchanged after peace, because it was intended for self-defence and not for aggression.

Viscount Uchida, the Foreign Minister, speaking with regard to the situation in Siberia, said negotiations between Japan and America were proceeding in a most friendly manner. He pointed out that in some quarters the opinion had been expressed that the note of the American Government concerning the despatch of Japanese reinforcements to Siberia was insulting to Japan. Such opinion, the Foreign Minister asserted, was entirely groundless.

Speaking on the Russian situation, Viscount Uchida declared the Allies did not intend to recognize the Bolsheviks. That was a question of the utmost importance to Japan, he asserted.

Harry New Gets Prison Sentence.

LOS ANGELES, Jan. 29.—Plea for a new trial for Harry S. New, convicted here of murder in the second degree for shooting Miss Freda Lesser, was denied today. He was immediately sentenced to serve not less than ten years, with a maximum of life imprisonment, at San Quentin prison.



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If New York men were as conversant with conditions in the shoe industry as we are, these shoes would all be gone in an hour. You cannot buy them wholesale at this price—and we don't believe there is any likelihood of a repetition of this sale being possible. Satisfy your requirements at once! Good selection of leathers,

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These fine Union Suits are of the celebrated "Stuttgarter" (made in America) brand, made over perfect fitting measurements, assuring maximum comfort and no bunching of material at the hips or waist. It is our firm belief that New York men will wait a very long time for such values as these to be duplicated.

Regular, Extra and Stout Sizes! Every Suit Perfect!

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Fashioned of black long-grain cowhide, fitted with two solid brass side lever locks, lined with blue silk moire with shirred pockets at sides. Ten fittings of white celluloid, including among them every little yet important article that a woman needs to make even a short trip comfortable. 22 inches long, \$49.48, including tax.

Week-End Bags

for women, in smooth brown cowhide or black long grain. Lined in various colors with silk moire, two shirred pockets inside. Fitted with solid brass locks and slides. 16 inches, \$15.74.

Collapsible Kit Bags

made of hand boarded cowhide, double handles, solid brass locks and catches. Lined with a heavy durable fabric, with one full long pocket on side and two side pockets. 22 inches long, \$44.25, including tax.

Inspired by English Patterns

are those Oxford cowhide bags, sewn in English frames and reinforced at the corners. In brown cordovan color only, with two handles and brass side catches and lock. The lining is strong, well wearing and printed in an English design. 18 inches long, \$29.95, including tax.

Made Over a 3 Ply Veneer Box

these week-end cases of smooth brown or black long-grain cowhide can't be beat for lightness and ample capacity. Two solid brass locks. Lined in various colors of silk moire, with side and end pockets. 24 inches long, \$34.25, including tax.

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